

PEST MANAGEMENT ALLIANCE GRANT PROGRAM

PART 2 | PROPOSED GRANT AGREEMENT

DEPARTMENT OF PESTICIDE REGULATION 2011/2012 GRANT PROGRAM

PEST MANAGEMENT ALLIANCE GRANT

Awarded By

THE DEPARTMENT OF PESTICIDE REGULATION, hereinafter “Department”

TO

{Name of Grantee}, hereinafter “Grantee”

Implementing “{Name of Project},” hereinafter “Project”

GRANT AGREEMENT NUMBER 11–PML–G00x

The Department of Pesticide Regulation awards this Grant and Grantee hereby accepts and agrees to use the Grant funds as follows:

AUTHORITY: The Department has authority to grant funds for the Project pursuant to Food and Agricultural Code section 12798.

PURPOSE: The Department shall provide a grant to and for the benefit of the Grantee; the purpose is the {SHORT SUMMARY}.

GRANT AMOUNT: The maximum amount payable under this Grant shall not exceed xxx,xxx dollars (\$xxx,xxx).

TERM OF GRANT: The term of the Grant shall begin on September 1, 2011 or upon approval of this agreement, and continue through Project completion unless otherwise terminated or amended as provided in the Grant. Absolutely no funds may be requested or invoiced after **May 9, 2014**.

PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant will be:

Department of Pesticide Regulation		Grantee:	
Name:	{name} Grant Manager	Name:	{name} Principal Investigator (PI)
Address:	1001 I Street–MS–A3 PO Box 4015	Address:	
City, ZIP:	Sacramento, California 95812-4015	City, ZIP:	City, California 9____
Phone:		Phone:	
Fax:		Fax:	
E-mail:		E-mail:	

Direct all inquiries to:

Department of Pesticide Regulation (DPR)	Grantee:
Section: Pest Management & Licensing Branch	
Attention:	Attention:
Address	Address
City, Zip	City, Zip
Phone	Phone
Fax	Fax
E-mail	E-mail

Either party may change its Project Representative upon written notice to the other party.

STANDARD PROVISIONS. The following exhibits are attached and made a part of this Grant by this reference:

Exhibit A	SCOPE OF WORK
Exhibit B	INVOICING, BUDGET DETAIL AND REPORTING PROVISIONS
Exhibit C	GENERAL TERMS AND CONDITIONS—2011/2012 GRANTS
Exhibit D	TRAVEL AND PER DIEM EXPENSES
Exhibit E	DEPARTMENT'S ORIGINAL SOLICITATION PACKAGE—including the Administrative Procedures and Requirements, attachments 4, 5, 6, 7, 8, 9 and 10.
Exhibit F	GRANTEE'S WRITTEN RESPONSE—{name of Grantee}, New Proposal Application—Pest Management Alliance Grant Program entitled “name of project,” dated {date}, 2011; xx pages.

GRANTEE REPRESENTATIONS: The Grantee accepts and agrees to comply with all terms, provisions, conditions, and commitments of this grant, including all incorporated documents, fulfill all assurances, declarations, representations, and commitments made by the Grantee in its application, accompanying documents, and written communications (e.g., e-mail, correspondence) filed in support of its request for grant funding. Grantee shall comply with and require its contractors and subcontractors to comply with all applicable laws, policies and regulations.

IN WITNESS THEREOF, the parties have executed this grant on the dates set forth below.

By: _____

Grantee Signature

By: _____

Department of Pesticide Regulation

Grantee Typed/Printed Name

Date:

Executive Director

Title

Reviewed by:
Office of Chief Counsel

Date:

Date:

///

EXHIBIT A—SCOPE OF WORK

A. COMPLIANCE REQUIREMENTS

If landowner agreements are required, signed copies must be submitted to the Grant Manager before works begins.

If permits are required, the permits must be obtained and signed copies submitted to the Grant Manager before work begins.

State Disclosure Requirements—Include the following disclosure statement in any document, written report, or brochure prepared in whole or in part pursuant to this Grant:

“Funding for this project has been provided in full or in part through a grant awarded by the Department of Pesticide Regulation. The contents of this document do not necessarily reflect the views and policies of the Department of Pesticide Regulation, nor does mention of trade names or commercial products constitute endorsement or recommendation for use.” (Gov. Code 7550)

Signage shall be posted in a prominent location at Project site (if applicable) and shall include the Department of Pesticide Regulation logo (available from the Grant Manager) and the following disclosure statement: “Funding for this project has been provided in full or in part through a Grant awarded by the Department of Pesticide Regulation.”

B. WORK TO BE PERFORMED BY GRANTEE (SCOPE OF WORK)

OVERVIEW

GOALS AND OBJECTIVES

TEAM MEMBERS

EXHIBIT B—INVOICING, BUDGET DETAIL, AND REPORTING PROVISIONS**A. INVOICING**

1. Invoices shall be submitted using the invoice template provided by the Department. The invoice will be categorized based on the line items specified in the Budget. The original invoice shall be submitted to the Department's Grant Manager on or before March 31, June 30, September 30, and December 31, for the respective years of this grant. The final invoice shall be received no later than May 9, 2014. Such invoicing shall be consistent with the reporting schedule in Exhibit A, Scope of Work.

ADDRESS FOR SUBMITTAL VIA U.S. MAIL	ADDRESS FOR SUBMITTAL VIA OVERNIGHT COURIER
NAME, Grant Manager Pest Management and Licensing Branch Department of Pesticide Regulation 1001 I Street, Third Floor—MS—3A P.O. Box 4015 Sacramento, California 95812-4015	NAME, Grant Manager Pest Management and Licensing Branch Department of Pesticide Regulation 1001 I Street, Third Floor—MS—3A Sacramento, California 95814

2. Invoices submitted in any other format than the one provided by the Department will cause an invoice to be disputed. In the event of an invoice dispute, the Department's Grant Manager along with the Grant Program Analyst will notify the Grantee by initiating an Invoice Dispute Notification form, see Attachment 9. Payment will not be made until the dispute is resolved and a corrected invoice submitted. Failure to use the address exactly as provided above may result in delay of receipt and processing of the submitted invoice. Payment shall be deemed complete upon deposit of the payment, properly addressed, postage prepaid, in the United States mail. The Department's Grant Manager along with the Grant Program Analyst has the responsibility for approving invoices.

The amount claimed for the Personnel Services line item and Professional and Consultant Services line item must include a calculation formula (e.g., hours or days worked times the hourly or daily rate = total amount claimed, or monthly salary times percentage of days worked). Invoice payment shall be made only after receipt of a complete, properly documented and accurately addressed invoice.

The Grantee shall not request disbursement for any cost until such cost has been incurred and has been paid by, or is due and payable by the Grantee.

Notwithstanding any other provision of this Grant, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the Federal Government, or any loss of tax-free status on state bonds, pursuant to any Federal statute or regulation.

Notwithstanding any other provision of this Grant, the Grantee agrees that the Department shall retain an amount equal to ten (10%) percent of the grant amount specified in this Grant until completion of the Project; i.e., when the Grantee has complied with all terms, conditions and performance requirements of this Agreement, as set forth in the Scope of Work, marked as Exhibit A. Any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest, upon completion of the Project.

The invoice shall contain the information as set forth in Attachment 8, Alliance Grant Invoice Example.

The Final invoice shall be clearly marked **FINAL INVOICE** and received no later than May 9, 2014. Additionally, the Grantee shall promptly notify the Department in writing of completion of work on the Project to assure payment of the ten (10%) percent retention withheld from Grantee's funding. Absolutely no funds may be requested or invoiced after May 9, 2014, whatsoever. Any invoice(s) submitted on or after May 9, 2014, will be considered null and void and have no legal effect. All invoices shall be signed under penalty of perjury.

B. BUDGET CONTINGENCY CLAUSE

The maximum amount to be encumbered under this Grant for the 2011/2012 fiscal year ending June 30, 2012, shall not exceed \$xxx,xxx (xxx,xxx dollars).

If the Budget Act of the current year and/or any subsequent years covered under this Grant does not appropriate sufficient funds for the program, this Grant shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of the Department to make any payments under this Grant. In this event, the Department shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant and Grantee shall not be obligated to perform any provisions of this Grant. Nothing in this Grant shall be construed to provide the Grantee with a right of priority for payment over any other Grantee.

If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the Department shall have the option to either cancel this Grant with no liability occurring to the Department, or offer a Grant amendment to Grantee to reflect the reduced amount.

C. LINE ITEM BUDGET

Attached hereto and made a part of this agreement is the budget sheet(s) submitted by the Grantee, named "TITLE."

D. BUDGET LINE ITEM FLEXIBILITY

1. Procedure to Request an Adjustment: Grantee may submit a request for an adjustment in writing to the Department, attention: Grant Manager. Such adjustment may not increase or decrease the total grant amount allocated per fiscal year. The Grantee shall submit a copy of the original Grant Budget sheet reflecting the requested changes. Changes shall be noted by striking the original amount(s) followed with revised change(s) in bold and underlined. Budget adjustments deleting a budget line item or adding a new budget line item requires a written approval by the Grant Manager and are not permissible under this provision unless deemed relevant and project appropriate by the Grant Manager. The Department may also propose adjustments to the budget.
2. The Alliance Grant withholds ten (10%) percent of the total grant award amount. These withheld funds are eligible for release by the Alliance Grant only after the Grant Manager has certified that all work is complete and the final report is received and approved. Because it is equally the responsibility of the Grantee to track the total amount withheld during the Grant term, the Grantee will need to submit a separate Alliance Grant Invoice at the end of the Grant term for the ten (10%) percent withheld. The invoice to release the 10 percent (10%) retention shall be called the "Final Invoice."
3. Remaining Balance: In the event the Grantee does not submit invoices requesting all of the funds encumbered under this Grant, any remaining funds revert to the Department. The Department will mail a Notice of Project Completion letter to the Grantee stating that the project file is closed, the final invoice is being processed for payment, and any remaining balance will be disencumbered and unavailable for further use under the Grant.
4. Procedure to Request an Amendment: Grantee shall submit in writing to the Grant Manager for any budget change requests greater than ten percent (10%) for the following line items including but not limited to: Personnel Services; Operating Expenses; Travel; Contracts, Equipment, or Construction. The Grantee shall submit a copy of the original Grant Budget Worksheet reflecting the requested changes. Changes shall be noted by striking the original amount(s) followed with revised change(s) in bold and underlined. Such amendment requests shall not increase or decrease the total grant amount. Grantee must have written approval from the Grant Manager, and if deemed necessary by the Grant Manager, the amendment shall be executed by the signatories for both the Department and the Grantee, and made a part of the agreement as an amendment.

E. AUDIT DISALLOWANCES

The Grantee agrees it shall return any audit disallowances to the Department. (See Audit clause below.)

EXHIBIT C—GENERAL CONDITIONS, 2011/2012 GRANT

NOTE: Terms and Conditions for the University of California (UC) contain certain variations, edits, and deletions due to the structure and function of the UC system. For information about the UC Terms and Conditions, please contact Gary Knutilla, Staff Counsel at (916) 445-0101, or gknutilla@cdpr.ca.gov.

AMENDMENT—No amendment or variation of the terms of this Grant shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or oral agreement, not memorialized by a writing and incorporated in the Grant, is binding on any of the parties.

APPROVAL—The Grantee will not proceed with any work on the Project until authorized in writing by the Department. Such authorization will be transmitted via U.S. Certified Return Receipt Mail, overnight delivery.

ASSIGNMENT—This grant is not assignable by the Grantee, either in whole or in part, without the written consent of the Grant Manager. The Department contemplated awarding this Grant in part by ascertaining the expertise of the person(s)/entity(-ies) awarded this grant; hence, assignment of the Grantee's research shall not be allowed without such written consent by the Grant Manager.

AUDIT—Grantee agrees that the Department, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any financial records and supporting documentation pertaining to the performance of this Grant. The Grantee agrees to maintain such records for a possible audit for a minimum of three (3) years after final payment, unless a longer period of record retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the Department to audit records and interview staff in any context related to performance of this Grant.

COMPLIANCE WITH LAWS AND REGULATIONS—The Grantee agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations, and requirements.

COMPUTER SOFTWARE—The Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant for the acquisition, operation or maintenance of computer software in violation of copyright laws.

CONFLICT OF INTEREST—Grantee certifies that it is in compliance with applicable state and/or federal conflict of interest laws.

DATA MANAGEMENT—This Project includes appropriate data management activities so that Project data can be incorporated into appropriate Department data systems.

DISPUTES—Grantee shall continue with the responsibilities under this Grant during any dispute. Any dispute arising under this Grant which is not otherwise disposed of by agreement shall be decided by the Chief Deputy Director of the Department, or his or her authorized representative. The decision shall be reduced to writing and a copy thereof furnished to the Grantee and to the Department's Director. The decision of the Chief Deputy Director shall be final and conclusive unless, within thirty (30) calendar days after mailing of the decision to the Grantee, the Grantee mails or otherwise furnishes a written appeal of the decision to the Director. The decision of the Director shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal under this clause, the Grantee shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute, the Grantee shall continue to fulfill and comply with all the

terms, provisions, commitments, and requirements of this Grant. This clause does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final the decision of the Department, or any official or representative thereof, on any question of law.

FISCAL MANAGEMENT SYSTEMS AND ACCOUNTING STANDARDS—The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of all grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Grant. The Grantee further agrees that it will maintain separate Project accounts in accordance with generally accepted accounting principles.

GOVERNING LAW—This grant is governed by and shall be interpreted in accordance with the laws of the State of California.

GRANT MODIFICATIONS—The Department may, at any time, by written order designated or indicated to be a grant modification, make any change in Exhibit A, Scope of Work, for the work to be performed under this Grant so long as the modified work is within the general scope of work called for by this Grant, including but not limited to changes in the specifications or in the method, manner, or time of performance of work. If the Grantee intends to dispute the change, the Grantee must, within ten (10) days after receipt of a written grant modification, submit to the Department a written statement setting forth the disagreement with the change.

INCOME RESTRICTIONS—The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Grant shall be paid by the Grantee to the Department, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the Department under this Grant.

INDEPENDENT ACTOR—The Grantee, and its agents and employees, if any, in the performance of this Grant, shall act in an independent capacity and not as officers, employees or agents of the Department.

INSPECTION—Throughout the life of the Project, the Department shall have the right to inspect the facilities) (e.g., fields, orchards, offices, laboratories) to ascertain compliance with this Grant. Grantee acknowledges that the Project records and location(s) are public records.

INSURANCE—If applicable, throughout the life of the Project, the Grantee shall provide and maintain auto insurance with the limits set at a minimum of \$100,000/\$300,000/\$100,000, property damage and liability. This insurance shall be issued by a company or companies admitted to transact business in the State of California.

MEDIA EVENTS—The Grantee shall notify the Department's Grant Manager in writing at least twenty (20) working days before any public or media event publicizing the accomplishments and/or results of this Grant and provide the opportunity for attendance and participation by Department's representatives.

NONDISCRIMINATION—During the performance of the scope of work listed in this Grant, the Grantee and its employees/agents/subcontractors shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of sex, race, religion, color, national origin, ancestry, disability, sexual orientation, medical condition, marital status, age (over 40) or denial of family-care leave, medical care leave, or pregnancy-disability leave. The Grantee and its employees, agents, or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment.

NO THIRD-PARTY RIGHTS—The parties to this Grant do not create rights in, or grant remedies to, any third-party as a beneficiary of this Grant, or of any duty, covenant, obligation or undertaking established herein.

NOTICE—The Grantee shall promptly notify the Department’s Grant Manager in writing of events or proposed changes that could affect the scope or budget of the project proposed under this Grant. The Grantee agrees that no material change in the scope of the Project will be undertaken until written notice of the proposed change has been provided to the Department, and the Department has given written approval for such change. “Material” is defined as “More or less necessary; having influence or effect; going to the merits.”

PERMITS, CONTRACTING, WAIVER, REMEDIES AND DEBARMENT—The Grantee shall procure all permits and licenses necessary to accomplish the work contemplated in this Grant, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Any contractors, outside associates, or consultants required by the Grantee in connection with the scope of work covered by this Grant shall be limited to such individuals or firms as were specifically identified and agreed to during negotiations for this Grant, or as are specifically authorized by the Department’s Grant Manager during the performance of the scope of work detailed in this Grant. Any substitutions in, or additions to, such contractors, associates, or consultants, shall be subject to the prior written approval of the Department’s Grant Manager. Any waiver of rights with respect to a default or other matter arising under the Grant at any time by either party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the Department provided for in this Grant are in addition to any other rights and remedies provided by law. The Grantee shall not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, “Debarment and Suspension.” The Grantee shall not contract with any individual or organization on U.S. EPA’s List of Violating Facilities. (40 CFR, Part 31.35, Gov. Code 4477) www.epis.gov. The Grantee certifies to the best of its knowledge and belief, that it and its principals:

- Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or Grantee;
- Have not within a three-year period preceding the execution of this Grant have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- Have not within a three (3)-year period preceding this application/proposal had one or more public transactions (federal, state or local) terminated for cause or default.

PROFESSIONALS—The Grantee agrees that only licensed professionals will be used to perform services under this Grant where such services are called for.

RECORDS—Without limitation of the requirement to maintain Project financial accounts in accordance with generally accepted accounting principles, the Grantee agrees to:

- Establish an official file for the Project that shall adequately document all significant actions relative to the Project;

- Establish separate accounts that will adequately and accurately depict all amounts received and expended on this Project, including all grant funds received under this Grant;
- Establish separate accounts that will adequately depict all income received which is attributable to the Project, especially including any income attributable to grant funds disbursed under this Grant;
- Establish an accounting system that will adequately depict final total costs of the Project, including both direct and indirect costs; and,
- Establish such accounts and maintain such records as may be necessary for the state to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations;

RELATED LITIGATION—Under no circumstances may a Grantee use funds from any disbursement under this Grant to pay costs associated with any litigation the Grantee pursues against the Department.

RIGHTS IN DATA—The Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of the scope of work detailed in this Grant shall be in the public domain. The Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Grant, subject to appropriate acknowledgment of credit to the Department for financial support. The Grantee shall not use the materials for any profit-making venture or sell or grant rights to a third-party who intends to do so.

DEPARTMENT REVIEWS AND INDEMNIFICATION—The parties agree that review or approval of Project applications, documents, permits, plans and specifications or other Project information by the Department is for administrative purposes only and does not relieve the Grantee of its responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the Project. To the extent permitted by law, the Grantee agrees to indemnify, defend and hold harmless the Department and the State against any loss or liability arising out of any claim or action brought against the Department and/or the State from and against any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from, or in any way connected with (1) the Project or the conditions, occupancy, use, possession, conduct or management of, work done in or about, or the planning, design, acquisition, installation or construction, of the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Grant or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law, rule or regulation or the release of any toxic substance; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Grantee for use in any disclosure document utilized in connection with any of the transactions contemplated by this Grant. To the fullest extent permitted by law, the Grantee agrees to pay and discharge any judgment or award entered or made against the Department and/or the State with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section shall survive the term of this Grant.

DEPARTMENT ACTION, COSTS, AND ATTORNEY FEES—The Grantee agrees that any remedy provided in this Grant is in addition to and not in derogation of any other legal or equitable remedy available to the Department as a result of material breach of this Grant by the Grantee, whether such material breach occurs before or after completion of the Project, and exercise of any remedy provided by this Grant by the Department shall not preclude the Department from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Grant, it is

agreed that the Department shall be entitled to such reasonable costs and/or attorney fees as may be ordered by the court entertaining such litigation.

TERMINATION, IMMEDIATE REPAYMENT, INTEREST—This Grant may be terminated by written notice at any time before completion of the Project, at the option of the Department, upon violation by the Grantee of any material provision after such violation has been called to the attention of the Grantee and after failure of the Grantee to bring itself into compliance with the provisions of this Grant within a reasonable time as established by the Department. In the event of such termination, the Grantee agrees, upon demand, to immediately repay to the Department an amount equal to the amount of grant funds disbursed to the Grantee before such termination.

TIMELINESS—Time is of the essence in this Grant. The Grantee shall proceed with and complete the Project in an expeditious manner.

TRAVEL AND PER DIEM—Any reimbursement for necessary travel and per diem shall be at rates not to exceed those amounts set forth in Exhibit D. (Note: travel rates are set by Department of Personnel Administration and subject to change. See www.dpa.ca.gov/personnel-policies/travel/employees.htm). No travel outside the State of California shall be permitted, whatsoever.

UNENFORCEABLE PROVISION—In the event that any provision of this Grant is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Grant shall continue to have full force and effect and shall not be affected thereby.

VENUE—The Department and the Grantee hereby agree that any action arising out of this Grant shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Grant, if applicable.

WITHHOLDING OF GRANT DISBURSEMENTS—The Department may withhold all or any portion of the grant funds provided for by this Grant in the event that the Grantee has materially violated, or threatens to materially violate, any term, provision, condition, or commitment of this Grant; or the Grantee fails to maintain reasonable progress toward completion of the Project.

EXHIBIT D—TRAVEL AND PER DIEM EXPENSES

University of California: Any reimbursement for necessary travel and per diem shall be at University of California (UC) rates per State Contracting Manual (SCM) Section 3.18. No travel whatsoever outside the State of California shall be permitted.

For all except UC, the following shall apply:

SHORT-TERM PER DIEM EXPENSES

In computing reimbursement for continuous short-term travel of more than 24 hours and less than 31 consecutive days, that is at least 50 miles from the main office, headquarters or primary residence, the employee will be reimbursed for actual costs up to the maximum allowed for each meal, incidental, and lodging expense for each complete 24 hours of travel, beginning with the traveler's times of departure and return, as follows:

On the first day of travel on a trip of 24 hours or more:

Trip begins at or before 6 a.m.	Breakfast may be claimed on the first day.
Trip begins at or before 11 a.m.	Lunch may be claimed on the first day.
Trip begins at or before 5 p.m.	Dinner may be claimed on the first day.

On the fractional day of travel at the end of a trip of more than 24 hours:

Trip ends at or after 8 a.m.	Breakfast may be claimed.
Trip ends at or after 2 p.m.	Lunch may be claimed.
Trip ends at or after 7 p.m.	Dinner may be claimed.

If the fractional day includes an overnight stay, receipted lodging may also be claimed. No meal or lodging expense may be claimed or reimbursed more than once on any given date or during any 24-hour period.

Reimbursement shall be for actual expenses, subject to the following maximum rates:

MEALS

Breakfast	\$6	Receipts are not required for regular short-term travel meals
Lunch	\$10	
Dinner	\$18	
Incidentals	\$6	

LODGING

Statewide	Actual up to \$84 plus tax
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When required to conduct State business and obtain lodging in the counties of Los Angeles and San Diego, reimbursement will be for actual receipted lodging to a maximum of \$110 plus tax.

When required to conduct State business and obtain lodging in the counties of Alameda, San Francisco, San Mateo, and Santa Clara, reimbursement will be for actual receipted lodging to a maximum of \$140 plus tax.

If lodging receipts are not submitted, reimbursement will be for meals *only* at the rates and time frames set forth below.

In circumstances where the contractor cannot obtain the state per diem lodging rate, verification from the hotel that such a rate was not available to the contractor may be submitted to substantiate lodging costs above the per diem rate.

No meal or lodging expenses will be reimbursed for any period of travel that occurs within normal working hours, unless expenses are incurred at least 50 miles from the main office, headquarters or primary residence.

In computing reimbursement for continuous travel of less than 24 hours actual expenses up to the maximum rates will be reimbursed for breakfast and/or dinner and/or lodging in accordance with the following time frames:

Travel begins at or before 6 a.m. and ends at or after 9 a.m.; breakfast may be claimed.

Travel begins at or before 4 p.m. and ends at or after 7 p.m.; dinner may be claimed.

If the trip of less than 24 hours includes an overnight stay, receipted lodging may be claimed.

No lunch or incidentals may be reimbursed on travel of less than 24 hours.

Employees on short-term travel who stay in commercial lodging establishments or commercial campgrounds will be reimbursed for actual lodging expenses substantiated by a receipt. Employees who stay with friends or relatives, or who do not produce a lodging receipt, will be eligible to claim meals only.

MILEAGE REIMBURSEMENT

Reimbursement for personal vehicle mileage is \$0.51 cents per mile.

VEHICLE RENTAL

Reimbursement for vehicle rental shall be for actual and necessary costs of such rental and airplane usage shall be allowed at the lowest fare available. Claims for reimbursements shall be allowed upon submittal of the appropriate receipt. Refer to California Code of Regulations, Title 2, Sections 599.627 and 599.628.